



June 19, 2008

Haiti Food Crisis Response Report I¹

Background:

Poverty in Haiti, the worst in the Western Hemisphere, remains a crippling condition, with unemployment nearly 80% and as many as an estimated 1,400,000 families living on less than \$2 per day. The steep, 70% increase in food prices between August 2007 and April 2008 lays the heaviest burden on the poorest Haitians living in urban slums and rural areas. Staple and substitute food prices such as imported rice and maize flour in Haiti, have risen more than 50% over the past year. The most disadvantaged families struggle to earn just enough to eat even without this sudden crisis. In April, 2008, Haitians' hunger burdens reached a critical breaking point as angry, violent protests broke out in Haiti's provincial towns and Port-au-Prince. These demonstrations were also exploited by those seeking to undermine the government and Haiti's still fledgling democratic experience. To appease popular sentiment, the Parliament passed a vote of no confidence on April 12 which removed the Prime Minister and his Cabinet from office; however, even two months later, Haiti still does not have a new government during a time when maintaining political and civil stability is of critical importance.

Since Haiti's mid-April riots, rice, bean and flour prices have reportedly dropped an estimated 15%, primarily because of a promising spring harvest. Experts believe this may only be a temporary condition, however, because even after recent donor contributions, the GOH still faces a \$120 million deficit for financing a broader, agricultural recovery plan. Haiti's cyclone season over the next several months is also predicted to be 70% more active than normal with perhaps as many as 2-5 extremely damaging storms hitting the island. Prices for petroleum-based goods, such as fertilizer remain extremely high. While donors have largely been responsive to Haiti's immediate food insecurity situation, and prices for basic commodities have stabilized, an estimated 2.5 million Haitians remain vulnerable to food insecurity. In-country observers believe another food and high cost of living crisis, including civil disturbances, could easily occur again before the end of the year, particularly during the 'lean season', September/October, when food supplies are running low and families are facing school enrollment fees.

USAID Response to Food Crisis:

To help the Haitian people cope with this food crisis, the United States Government has undertaken four main responses to date: 1) providing \$45 million in Emergency Title II commodities; 2) reprogramming \$15.5 million to short-term job creation programs; and 3) providing \$150,000 in International Disaster Assistance Funds for emergency seeds and tools 4)

¹ This report was updated on June 19, 2008

providing \$1 million to the International Office for Migration (IOM) for an agricultural development program.

1. Emergency Food Distribution Program (PL 480 Title II)

USAID's PL 480 Title II Program contributed **\$45 million** in emergency food aid to Haiti. Twenty-five million dollars of this contribution was provided to World Food Program (WFP) and the remaining \$20 million was given to two US Private Voluntary Organizations working in Haiti, Catholic Relief Services (CRS) (\$10 million) and World Vision International (WVI) (\$10 million). These agreements were signed on May 22nd.

Program activities will be implemented over a 12 month period and consist of 1) safety net food distribution directed at the most disadvantaged – the sick and disabled, elderly, orphans, mothers and children; 2) school feeding to children during the summer period with take home rations provided to the poorest households; and 3) food for work activities to rehabilitate irrigation systems, roads infrastructure, as well as reclaim eroded land – all for the purpose of increasing agricultural production.

Approximately 36,500 metric tons (mts) of food is being shipped to Haiti under this emergency contribution. These commodities include beans, rice, corn soy blend, vegetable oil, lentils, soy-fortified bulgur, peas, and corn meal.

Current Status: On May 26 USAID/Haiti's first shipment of 6,620 metric tons (mt) of emergency food assistance arrived and is expected to clear customs late this week. USAID's second shipment of 7,900 mt is scheduled to arrive second week of July and a third in August. The shipments consist primarily of soy fortified bulgur, corn soy blend, cooking oil, and lentils. Waiting these commodities, USAID has redirected assistance for promoting income generation, agricultural production, and soil erosion control.

2. Short-term Jobs Program

As an immediate response to addressing Haiti's food security, USAID reprogrammed \$1 million in FY07 resources, \$6.5 million of FY08 resources and requested the early release of another \$8 million. Of this \$15.5 million, \$14.5 million is under implementation to create thousands of short-term jobs for the most vulnerable Haitians. The jobs include working on community improvement projects such as road paving, canal cleaning and productive agriculture infrastructure. An additional \$1 million is also being reprogrammed for generating short-term jobs to benefit people living with HIV/AIDS.

A. The International Organization for Migration (IOM) received \$5.5 million of the reprogrammed



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This local farmer in Haiti now has access to irrigated water for his land instead of relying solely on rain water (June 2, 2008)

FY08 funds to respond to the food crisis. The first small project, cleaning and rehabilitating irrigation canals in Plaine de Cul du Sac in Port au Prince, is being coordinated closely with the Mayors of Croix des Bouquets and the Ministry of Agriculture. The project is intended to encourage increased local production of agricultural products in an area which was once a major breadbasket for Port au Prince. The project is employing 225 workers per day for 3 months.

USAID estimates, based on IOM data, the average cost per short term job created is \$150 per 10 person days for labor-intensive agriculture infrastructure. From the \$6.5 million that is being added to the IOM grant, as many as 43,000 non-skilled short-term jobs will be created.

Most Recent USAID/Haiti Food Security Response

On June 17th, USAID/Haiti provided an additional \$1.0 million of reprogrammed FY07 funds to support an Agricultural Development Self-Help Program implemented with the International Office for Migration (IOM). The program will support irrigation works, farm-to-market roads, bridges and soil conservation measures in areas with important agricultural potential generating an estimated 6,500 short-term jobs, increasing both purchasing power for Haiti's most food insecure and agricultural productivity.



IOM's rehabilitation of irrigation canals in Croix des Bouquets revives agricultural land while employing members of the community (June 2, 2008)

B) The Cooperative Housing Foundation (CHF) has received \$8 million in FY08 (April) funds to respond to the food crisis. CHF is now expanding its small labor intensive projects in urban hot-spots and their surrounding areas. One of the projects in the Port-au-Prince area is a soil erosion control activity combined with tree planting by school children. The program was highlighted as a contribution to Environmental Day on June 5. Three-thousand workers are currently employed on labor-intensive endeavors in Gonaives while recently identified projects in Port au Prince, particularly cleaning and rehabilitating irrigation canals, are expected to employ another 2,000 Haitians.



CHF short term employees working on soil erosion control (June 3, 2008)
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3. Emergency Seeds and Tools Program

\$150,000 in International Disaster Assistance (OFDA) funds have been provided for Emergency Seeds and Tools to enable 20,000 farmers to plant basic food crops in the up-coming agricultural season for agricultural development.